



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION COMMISSION
SECRETARIAT

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SENSITIVE

MEMORANDUM

March 19, 2009

TO: The Commission

THROUGH: Robert A. Hickey
Staff Director

FROM: John D. Gibson
Chief Compliance Officer

Lynn M. Fraser
Acting Director, ADR Office

SUBJECT: ADR 461 Schock for Congress and Rachel Honegger, Treasurer
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Certify the results of an internal reconciliation of its reports for the 2008 election, and send a representative to a FEC conference.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 461 (RAD 08L-25). This case was activated by the ADR Office on July 10, 2008.

SUMMARY: In this case, the Reports Analysis Division (RAD) referred Schock for Congress and Rachel Honegger, Treasurer (Respondents or the Committee) for failing to disclose all financial activity on their 2008 12 Day Pre-Primary Report. On January 24, 2008, Respondents filed their original 2008 12 Day Pre-Primary. On March 24, 2008, Respondents filed an amended 2008 12 Day Pre-Primary Report that disclosed additional disbursements in the amount of \$57,567.69.

Respondents acknowledge some challenges with a former Treasurer, but contend they took immediate steps to remedy the situation when media reports alleged theft. The Committee terminated its relationship with the former Treasurer in January 2008, and conducted a review and reconciliation of reports filed during the short term of his tenure. The omission at issue was discovered, and Respondents filed an amended 12 Day Pre-Primary Report disclosing the omitted disbursements.

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Schock for Congress and Rachel Honegger, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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